

AMENDMENT NO. 3
TO THE SUPERFUND STATE CONTRACT
BETWEEN
THE STATE OF NEW JERSEY
AND THE
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
FOR REMEDIAL ACTIVITIES RELATED TO THE
CORNELL-DUBILIER ELECTRONICS SITE
IN THE STATE OF NEW JERSEY

Pursuant to Paragraph N of the Superfund State Contract for remedial activities at the Cornell-Dubilier Electronics Superfund Site executed on September 23, 2005, and amended on September 13, 2006 (Amendment 1) and March 27, 2007 (Amendment 2), the Superfund State Contract is hereby amended to cover Task II, Phase 2 (excavation of capacitor disposal area). Accordingly, the following provisions are substituted for the existing provisions in the Superfund State Contract. These provisions apply to Task I, Task II, Phase 1, and Task II, Phase 2 covered under this Amendment and any future tasks unless agreed to otherwise.



CORNELL-DUBILIER ELECTRONICS SUPERFUND SITE

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A. Authority

This Amendment No. 3 (the "Contract") to the Superfund State Contract is entered into pursuant to Section 104 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA"), as amended, 42 U.S.C. §9601 et seq.

B. Purpose

This Contract is an agreement between the United States Environmental Protection Agency ("EPA") and the State of New Jersey (the "State") to conduct remedial activities at the Cornell-Dubilier Electronics Superfund Site (the "Site") located in South Plainfield, Middlesex County, New Jersey.

Attached and incorporated herein as Appendix A is a description of the Site. This Contract covers only Task I, Task II, Phase 1, and Task II, Phase 2 of the activities described in the Statement of Work (the "SOW") attached hereto and incorporated herein as Appendix B. This Contract may be amended pursuant to Paragraph N to undertake additional remedial activities beyond Task I, Task II, Phase 1, and Task II, Phase 2 of the SOW.

C. Parties' Representatives

1. EPA has designated Carole Petersen, Chief, New Jersey Remediation Branch, United States Environmental Protection Agency, Region II, 290 Broadway, New York, New York 10007-1866, (212) 637-4420 to serve as EPA Project Officer for this Contract.
2. The State has designated Edward Putnam, Assistant Director, Division of Remediation Management and Response, New Jersey Department of Environmental Protection, 401 East State Street, P.O. Box 028, Trenton, New Jersey 08625, (609) 984-3074, to serve as the State Project Officer for this Contract.

D. Procurement

The EPA shall employ contractors and/or the U.S. Army Corps of Engineers (COE) to do the work described in Task I, Task II, Phase 1, and Task II, Phase 2 of the SOW and shall make all payments to the contractors and the COE for that work.

E. Financial Responsibilities of the Parties and Payments

1. EPA shall contribute 90 percent of the costs of Tasks I and II, provided, however, that it shall not be required to contribute more than \$1,125,000 for Task I, \$17,550,000 for Task II, Phase 1, and \$7,200,000 for Task II, Phase 2 unless this Contract is amended in writing to provide for a higher limit on expenditures for the work covered by that Task. The State shall contribute 10 percent of the cost of Task I and Task II, provided, however, that it shall not be required to contribute more than \$125,000 for Task I, \$1,950,000 for Task II, Phase 1, and \$800,000 for Task II, Phase 2 unless this Contract is amended to provide for a higher limit on expenditures for the work covered by that Task. Expenditures by EPA of the funds contributed by the State shall not ensure actions at the Site beyond those specified in this Contract.
2. EPA and the State each shall, in addition to its contributions to the costs of the work described in the SOW as specified above, be responsible for furnishing the personnel, materials, services and facilities necessary for or incidental to the performance of its other obligations under the Contract, except as covered by a

separate support agency (management assistance) cooperative agreement.

3. Payment Schedule. The State shall make its payments for construction costs under this agreement according to the following terms and conditions:

- a. The State shall make its payments for construction costs in accordance with the Payment Schedule Table (Attachment 1 to Appendix B), which identifies three Payment Events for each task. The State shall pay EPA the amount associated with a completed Payment Event within sixty (60) days of EPA's submission of an invoice to the State.
- b. Payments due on the attached Payment Schedule Table (Attachment 1 to Appendix B) which are due on the same date may be combined.
- c. After the final total cost is determined and supporting documentation is provided to the State as provided in Paragraph E.4, final payment by or reimbursement to the State will be made as follows:

- i. If the State statutory share of the final total cost is greater than the amount provided to EPA under subparagraph E.3.a, the State shall pay EPA the balance of its statutory share within sixty (60) days of submission of an invoice to the State by EPA.
 - ii. If the State statutory share of the final total cost is less than the amount provided to EPA under subparagraph E.3.a, EPA agrees to reimburse any such overpayment to the State within sixty (60) days after State submission of an invoice for reimbursement for these excess funds, subject to the availability of federal funds.
4. Within sixty (60) days of the date EPA makes the final payments to the contractors for the work described in Task I, Task II, Phase 1, and Task II, Phase 2 of the SOW, EPA shall calculate a final total cost for that work. The final total cost will be the sum of all payments to contractors for that work. EPA shall give the State Project Officer notice of the final total cost promptly after calculating the cost, and simultaneously

shall give the Project Officer copies of the invoices or other documentation supporting said cost.

5. The instruments of payment by the State shall be made payable to "USEPA - Hazardous Substances Superfund" and shall be sent to:

U.S. Environmental Protection Agency

Region II

P.O. Box 360188M

Pittsburgh, Pennsylvania 15251

The State shall enclose identification with the instrument of payment stating the site for which payment is being made and whether payment is for a state statutory share.

6. All EPA refunds to the State shall be made payable to "Treasurer, State of New Jersey" and shall be sent to:

New Jersey Department Environmental Protection

Office of Management and Budget

Budget and Finance

P.O. Box 420

Trenton, New Jersey 08625-0420

Attention: Director

7. If the parties amend this Contract to include any additional work as part of Task I, Task II, Phase 1, and Task II, Phase 2 beyond that already specified in Task I, Task II, Phase 1, and Task II, Phase 2 of the SOW, the final total cost of the work shall be calculated and applied in the same manner as specified for Task I, Task II, Phase 1, and Task II, Phase 2.

F. Duration

This Contract shall become effective upon execution by both parties and shall remain in effect until September 30, 2010, or until completion of the activities described in the SOW, whichever occurs later. Pursuant to Paragraph N, the parties may agree to extend, by amendment, the duration of the Contract for the period necessary to implement any response activities that the parties agree to undertake beyond those defined in the SOW.

G. Off-site Storage, Destruction, Treatment or Disposition

1. Should EPA determine that off-site storage, destruction, treatment, or disposition (collectively, "Off-site Disposition") of hazardous substances is required for implementation of Task I, Task II, Phase 1, and Task II,

Phase 2 of the SOW, it shall attempt to arrange for such Off-site Disposition, provided, however, that ultimate responsibility to arrange for Off-site Disposition rests with the State. In the event that EPA is unable to arrange for such Off-site Disposition, the State shall, at EPA's request, make available a hazardous waste disposal facility which has adequate capacity and which meets the requirements of 42 U.S.C. §9621(d)(3). The State agrees to furnish all legal and technical assistance necessary to accomplish such Off-site Disposition. Failure of the Parties to arrange for such Off-site Disposition shall be cause for termination of this Contract.

2. EPA's 1995 National Assessment of hazardous waste treatment and disposal capacity shows that there is adequate national capacity through the year 2013. This assessment included data provided by the State. Based upon the assessment and other data, as appropriate, EPA believes that there will be adequate national hazardous waste treatment and disposal capacity during the 20-year period following signature of this Superfund State Contract for the Cornell-Dubilier Electronics site. The State hereby assures the availability of hazardous waste treatment or disposal facilities for the next 20 years

following signature of this Superfund State Contract, pursuant to CERCLA Section 104(c)(9) and 42 U.S.C. Section 9604 (c)(9).

H. Maintenance

The parties do not anticipate the need for any Maintenance (for the purpose of this Contract, the term "Maintenance" shall mean operating, repairing, servicing, environmental monitoring or any other activity necessary to insure normal performance and continuation in a good and serviceable condition) with regard to Task I, Task II, Phase 1, and Task II, Phase 2. Pursuant to 42 U.S.C. §9604(c)(3), as amended, if any Maintenance is necessary, the State shall assure all future Maintenance during the expected life of Task I, Task II, Phase 1, and Task II, Phase 2, which will be determined by amendment.

I. Permits

In accordance with 42 U.S.C. §9621(e) and 40 CFR 300, Federal, State, and local permits are not required for on-site Fund-financed remedial actions. Subject to the provisions of 42 U.S.C. section 9621, EPA shall, however, attain or exceed applicable or relevant and appropriate Federal, state or local

public health or environmental requirements that have been identified for this Site consistent with the Record of Decisions. Remedial actions which involve the storage, treatment or disposal of hazardous substances at off-site facilities shall involve only off-site facilities that are operating under appropriate Federal and State permits or authorization and other legal requirements.

J. Site Access

1. EPA shall attempt to secure access to the Site for itself, its agents and representatives, and for contractors performing the work described in the SOW. The State, however, shall assist EPA as requested, and shall retain to the extent of its legal authority the responsibility for obtaining site access if EPA efforts are not successful.
2. With reasonable advance notice to the EPA Project Officer, and upon condition that they comply with any site safety plan then in effect, employees and other representatives of the State shall have access to the Site.

K. Acquisition of Interests in Real Property

To the extent that any interests in real property are necessary for performance of the Contract and if such interests have not been acquired by the State, EPA shall use its best efforts to acquire such interests. The State agrees to accept transfer of such interests following completion of the remedial action, in accordance with CERCLA. The cost of acquiring such interest in real property shall be paid for as provided in paragraph E.1. Further, the State agrees to furnish all legal and technical assistance necessary to accomplish such acquisition by EPA. Nothing in this Contract shall impair or otherwise affect the right of the United States or the State to file any lien(s) on the real property which is the subject of this Contract pursuant to the provisions of SARA or pursuant to any other statutory or equitable grounds.

L. Information Regarding the Site

1. At EPA's request, and to the extent allowed by State law, the State shall make available to EPA any information in its possession concerning the Site, with the exception of deliberative and policy documents which the State would not otherwise be required to disclose, including those

documents subject to the attorney - client privilege. At the State's request, and to the extent allowed by Federal law, EPA shall make available to the State any information in its possession concerning the Site, with the exception of deliberative and policy documents which the EPA would not otherwise be required to disclose, including those documents subject to the attorney - client privilege.

2. If any information is provided to EPA by the State under a claim of confidentiality, it will be treated in accordance with 40 CFR Part 2 if the State has given EPA notice of the claim of confidentiality. EPA will not disclose information submitted under a claim of confidentiality unless EPA is required to do so by Federal law and has given the State ten (10) working days advance notice of EPA's intent to release that information. Absent notice of such claim, EPA may make said information available to the public without further notice.
3. If any information is provided to the State by EPA under a claim of confidentiality, it shall be treated in accordance with State law if EPA has given the State notice of the claim of confidentiality. The State shall

not disclose information submitted under a claim of confidentiality unless the State is required to do so by State law and has given EPA ten (10) working days advance notice of the State's intent to release that information. Absent notice of such claim, the State may make said information available to the public without further notice.

M. Failure to Comply with Terms of Contract

1. If the State fails to comply with the terms of this Contract, EPA may proceed under the provisions of 42 U.S.C. §9604.
2. If EPA fails to comply with the terms of this Contract, no action for damages or any other form of remedy shall be commenced until the State has given EPA sixty (60) days written notice of intent to file suit.

N. Amendments

Any change in this Contract must be agreed to by both parties in writing.

O. Community Relations Plan

EPA has developed and implemented a Community Relations Plan.

P. Third Parties

1. This Contract is intended to benefit only the State and EPA. It extends no benefit or right to any third party.
2. Neither EPA nor the State assumes any liability to third persons with respect to losses due to bodily injury or property damages resulting in any way from work performed in connection with this Contract, nor does either party waive any rights or immunities provided by law.
3. The execution of this Contract does not constitute a waiver of EPA's right to bring an action against any person or persons for appropriate relief under any provision of CERCLA or any other provision of law.
4. The execution of this Contract does not constitute a waiver of the State's right to bring an action against any person or persons for appropriate relief under any applicable State or Federal law.

Q. Enforcement and Cost Recovery

1. **Disclaimer of Agency Relationship**

Nothing contained in this Contract shall be construed to create, either expressly or by implication, the relationship of agency between EPA and the State. Any standards, procedures or protocols prescribed in this Contract to be followed by EPA or its contractors during the performance of its obligations under this Contract are for assurance of the quality of the final product of the actions contemplated by this Contract and do not constitute a right to control the actions of the EPA. EPA (including its employees and contractors) is not authorized to represent or act on behalf of the State in any matter relating to the subject matter of this Contract and the State (including its employees and contractors) is not authorized to represent or act on behalf of the EPA in any matter relating to the subject matter of this Contract.

2. **Notice of Intent to Settle or to Initiate Proceedings**

EPA and the State agree that, with respect to the claims which each may be entitled to assert against any third person (herein referred to as the "responsible party," whether one or more) for response activities at the Site

described in this Contract, neither EPA nor the State will commence settlement negotiations with a responsible party except after having given prior written notice to the other party to this Contract in advance of the commencement of settlement negotiations, nor will EPA or the State enter into a settlement with, or initiate a judicial or administrative proceeding against, a responsible party except after having given notice in writing to the other party to this Contract not less than thirty (30) days in advance of the date of the proposed settlement or commencement of the proposed judicial or administrative proceedings. Neither party to this Contract shall attempt to negotiate on behalf of the other party, and authority to do so is hereby expressly negated and denied.

3. Cooperation and Coordination in Enforcement and Cost Recovery Efforts

EPA and the State agree that they will cooperate and coordinate efforts to recover their respective costs for response actions taken at the Site described herein, including settlement negotiations and the filing and management of any judicial actions against potentially responsible parties. This shall include coordination in the use of evidence and witnesses and in the preparation

and presentation of any enforcement or cost recovery action. Any documents or information which may be confidential under the provisions of any applicable State or Federal law or regulation may be withheld notwithstanding the terms of this paragraph.

4. Judicial Action

EPA and the State agree that any judicial action taken pursuant to CERCLA by either party against a potentially responsible party for recovery of any sums expended in response actions at the Site described herein shall be filed in the United States District Court for the judicial district in which the Site is located, or in such other judicial district of the United States as may be authorized by 42 U.S.C. §9613 and agreed to in writing by the parties to this Contract.

5. Assumption of Work by Responsible Party

- a. If any responsible party notifies EPA in a timely manner of its willingness to perform the activities delineated in the Statement of Work and Scope of Work attached hereto, and any amendments thereto, EPA shall immediately notify the State of such offer and, after consultation with the State, will determine whether to offer the responsible party

the opportunity to undertake the work. If EPA decides to make such an offer, it shall notify the State in writing of that fact. EPA then will provide the responsible party with a detailed work plan identifying the work to be performed. The responsible party shall have two (2) weeks in which to review the detailed work plan and to indicate its desire to undertake the activities described therein. If EPA, after consultation with the State, determines that the responsible party is capable of properly and promptly performing the work, it may enter into an agreement with the responsible party for the work.

- b. If EPA determines that the responsible party is unable or unwilling to perform any of the activities of the Scope of Work and/or Statement of Work in a manner acceptable to EPA, EPA will promptly so notify the State in writing.
- c. Each party recognizes that any agreement it executes with a responsible party pursuant to this paragraph shall not be construed to waive or limit such rights as the other party may have to enter into a different settlement with, initiate a

judicial or administrative proceeding against, or assert any claims against said responsible party consistent with such laws, regulations and policies as may apply to the performance of remedial measures at the Site.

- d. If EPA enters into a settlement with a responsible party to undertake the work covered by Task I, Task II, Phase 1, and Task II, Phase 2 of the SOW after the State has paid its statutory cost share, as defined in paragraph E.1., EPA will reimburse the State for such costs within sixty (60) days after State submission of an invoice for reimbursement for these funds, subject to the availability of federal funds.

6. Evidence Documentation

EPA shall implement the standard agency protocol for the documentation of evidence at the Site.

In witness whereof, the parties hereto have executed this Superfund State Contract (Amendment No. 3) for remedial activities at the Cornell-Dubilier Electronics Superfund site in two (2) copies, each of which shall be deemed an original.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

William M. Cobe
Director,
Emergency and Remedial Response Division

7-25-07
Date

NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION

Assistant Commissioner,
Site Remediation and Waste Management

Date

Approved as to Legality and Form
ATTORNEY GENERAL OF NEW JERSEY
By:

Date

Appendix A

CORNELL-DUBILIER ELECTRONICS SITE SITE DESCRIPTION

The Cornell-Dubilier Electronics (CDE) site is located at 333 Hamilton Boulevard, South Plainfield, Middlesex County, New Jersey. The former CDE facility, now known as the Hamilton Industrial Park, consists of approximately 26 acres containing 18 buildings that are currently used by a variety of commercial and industrial tenants.

CDE operated in South Plainfield from 1936 to 1962, manufacturing electronic components including, in particular, capacitors. Polychlorinated biphenyls (PCBs) and chlorinated organic solvents were used in the manufacturing process, and the company apparently disposed of PCB-contaminated materials and other hazardous substances directly on the facility soils. CDE's activities evidently led to widespread chemical contamination at the facility, as well as migration of contaminants to areas adjacent to the facility. PCBs have been detected in the groundwater, soils and in building interiors at the industrial park, at adjacent residential, commercial, and municipal properties, and in the surface water and sediments of the Bound Brook. High levels of volatile organic compounds (VOCs) have been found in the facility soils and in groundwater. Since CDE's departure from the facility in 1962, it has been operated as a rental property, with over 100 commercial and industrial companies operating at the facility as tenants.

In July 1998, EPA included the CDE site on the National Priorities List (NPL). EPA has divided the site into separate phases, or operable units, for remediation purposes. Operable Unit 1 (OU1) consists of residential, commercial, and municipal properties located in the vicinity of the former CDE facility. Operable Unit 2 (OU2) addresses the former CDE facility, consisting of contaminated facility soils and buildings at the former CDE facility, including soils that may act as a source of groundwater contamination. Operable Unit 3 (OU3) will address contaminated groundwater and Operable Unit 4 (OU4) will address the contaminated sediments of the Bound Brook.

On September 30, 2003, EPA signed a ROD to address PCB-contaminated soil at properties in the vicinity of the former CDE facility (OU1). The major features of the selected remedial action included: excavation of an estimated 2,100 cubic yards of contaminated soil from approximately 16

properties, backfilling with clean fill, and property restoration as necessary; transportation of the contaminated soil off-site for disposal, with treatment as necessary; and indoor dust remediation where PCB-contaminated dust is encountered. EPA is implementing the selected remedial action in a phased manner and has initially moved forward with the excavation of PCB contaminated soil from the 4 properties identified during the remedial investigation. Remediation of the four properties was initiated in November 2005 and is ongoing. Additional properties will be remediated in subsequent phases, as they are identified.

On September 30, 2004, EPA selected a final remedy for OU2. The major features of the selected remedy included: excavation of an estimated 114,500 cubic yards of contaminated soil containing PCBs at concentrations greater than 500 parts per million and contaminated soils that exceed New Jersey's Impact to Groundwater Soil Cleanup Criteria for contaminants other than PCBs; on-site treatment of excavated soil amenable to treatment by low temperature thermal desorption (LTTD), followed by backfilling of excavated areas with treated soils; demolition of the 18 on-site buildings; transportation of contaminated soil and debris not suitable for on-site LTTD treatment to an off-site facility for disposal, with treatment as necessary; excavation of an estimated 7,500 cubic yards of contaminated soil and debris from the capacitor disposal areas and transportation for disposal off site, with treatment as necessary; installation of a multi-layer cap or hardscape; and implementation of institutional controls. EPA is implementing the OU2 selected remedial action in a phased manner. The tenant relocation and building demolition component of the remedy (Phase 1) is currently underway. The remedial design for the LTTD component of the soil remedy (Phase 3) is currently ongoing.

Final remedies to address the groundwater and the Bound Brook will be presented in future Proposed Plans and RODs.

Appendix B

STATEMENT OF WORK

Cornell-Dubilier Electronics Site

Work to be Performed

Engineering, construction and other services necessary to complete the following tasks at the Cornell-Dubilier Electronics Site:

Task I

Implementation of the selected remedial action at 4 properties, as described in Appendix A and the Record of Decision (ROD) for Operable Unit One (OU1), signed September 30, 2003.

Estimated Cost: \$1,250,000 (Construction Ongoing)

Task II

Implementation of the selected remedial action to address contaminated facility soils and buildings, as described in Appendix A and the ROD for Operable Unit Two (OU2), signed September 30, 2004.

Estimated Cost:

Phase 1: Buildings \$19,500,000 (Construction Ongoing)

Phase 2: Capacitor Disposal Area \$8,000,000
(Construction Pending)

Phase 3: LTTD Soils To Be Determined (Construction Planned)

TASK III

Implement the selected remedial action (if necessary) to address contaminated groundwater, to be addressed in OU3. OU3 Remedial Investigation ongoing.

Estimated Cost: To Be Determined

TASK IV

Implement the selected remedial action (if necessary) to address contaminated sediments of the Bound Brook, to be addressed in OU4. OU4 Remedial Investigation ongoing.

Estimated Cost: To Be Determined

Attachment 1 to Appendix B Amendment No. 3
Payment Schedule Table
State Superfund Contract
Cornell-Dubilier Electronics Superfund Site

Cost Estimate (by OU):	Task 1	Task 2			Task 3	Task 4
		Phase 1	Phase 2	Phase 3		
	\$1,250,000	\$19,500,000	\$8,000,000	To Be Determined	To Be Determined	To Be Determined
State Share (10%)	\$125,000	\$1,950,000	\$800,000			
Federal Share (90%)	\$1,125,000	\$17,550,000	\$7,200,000			
Payment Events:	Task 1 (% of Estimate)	Task 2 (% of Estimate)			Task 3 (% of Estimate)	Task 4 (% of Estimate)
Commitment of Funds for Construction	\$5,170 (1%) PAID \$24,150 (5%) PAID 12,500 (5%) ¹	\$70,000 (1%) PAID 261,776 (5%) PAID \$410,995 (5%) ²	\$80,000 (1%)			
Award of Construction Contract	\$20,680 (4%) PAID NA ³	\$232,229 (4%) PAID NA ³	\$320,000 (4%)			
"Letter of Acceptance" of Construction Contract	\$50,000 (4%)	\$780,000 (4%)	\$320,000 (4%)			

Date Prepared: May 3, 2007

¹ \$50,000 paid previously (total of \$5,170 + \$20,680 + 24,150), \$12,500 due on the commitment of funds

² \$564,005 paid previously (total of \$70,000 + \$232,229 + 261,776), \$410,995 due on the commitment of funds

³ Not Applicable

Note 1: This Table provides the amounts to be used in making estimated payments in accordance with Paragraph E.3.a. Payment of the balance of the State's 10 percent cost share (a final payment by, or reimbursement to, the State) is addressed in Paragraph E.3.c.